

Clean Ohio Talking Points City of Springfield

Community Background

The City of Springfield is a Post World War II industrial boomtown located in West-central Ohio, that has fought problems of urban decay ever since absentee owners began closing the doors of local industry five decades ago. Today, the City of Springfield is slowly rebounding from industry's divestiture in the City; however, many of the scars and reminders of the 1950s and 1960s remain in the form of abandoned buildings and vacant lots. Although available for redevelopment, would-be purchasers have been unwilling to take on the risk of acquiring properties which may have significant environmental liability attached as a result of past unregulated operations. Thus, the city is left with an over abundance of brownfield properties.

The Clean Ohio Revitalization and Assistance Funds, along with US EPA brownfield grant programs have enabled the city of Springfield to refocus and reinvest in these once idle properties. The ability to purchase, demolish, remediate, and prepare these forgotten sites has breathed new life into the Springfield community. Areas once a blight in urban neighborhoods have become beacons of hope. Areas that were once avoided by neighbors are now properties that instill pride. The understanding that "things can and will change" has helped urban neighborhoods in Springfield reinvest in private properties. It is simple to measure the tangible results of brownfield redevelopment; however, the most personal and perhaps important results of brownfield redevelopment in Springfield have been the intangible results including the neighborhoods' personal, mental, and emotional changes as they watch buildings that have plagued their community, threatened their health, and created senses of fear and loss for so many years be demolished. Though understanding the process of remediation can be a larger subject than many neighbors can grasp, the understanding and trust that the State of Ohio, federal government, and city of Springfield are working in *their* neighborhood to make it safer and healthier is the ultimate success of a redevelopment program.

However, it is important to not forget tangible results at the same time. For instance, future job creation, tax base revitalization, and local economic impact are just as important—especially in hard financial times. As community members struggle with their own household budgets, and watch their neighbors struggle to find jobs, these individuals—as well as elected and administrative officials—have a sense of hope for the future.

The City of Springfield could not have fostered such a sense of pride and hope without the assistance of the Clean Ohio Fund, the federal government Small Business Liability Relief Act and subsequent US EPA grant funding.

Redevelopment Success in Springfield

The City of Springfield has been aggressive in seeking state and federal funding to address underutilized contaminated properties within the community. Three designated Redevelopment Areas were created in 2000—as a way to guide city staff in seeking funding and directing efforts to those areas in most need of reinvestment. The Sheridan—Kenton Industrial Redevelopment Corridor, the West Central Redevelopment Area, and the Lagonda Redevelopment Area have all seen major brownfield investment over the last four years.

The City of Springfield received \$1.9 million in Clean Ohio Funding in 2002 for the Former D and H Manufacturing Facility located in the Sheridan—Kenton Industrial Redevelopment Corridor. In an effort to complete the demolition and remediation project, the City was able to bring over \$400 thousand of Brownfield Cleanup Revolving Loan Funds and over \$200 thousand of City Economic Development funds to the project. Additionally, the city engaged a redevelopment partner early in the process to ensure that once the property was remediated a new light industrial facility would be constructed and up to 75 new jobs would be created.

Additionally, the City has received over \$2.4 million from Clean Ohio Revitalization and Assistance Fund dollars to address two properties in the West Central Redevelopment Corridor. The Former Greenawalt-Trenor property received \$1.8 million in Revitalization funds to assist the city and National Trails Parks and Recreation District to construct a new Family Multi-Purpose Ice Skating Facility in the heart of the Center City. The project has received over \$400 thousand dollars from community financed programs including a private fund raising campaign and a sales tax initiative approved by the community to finance the construction of three new recreation facilities—including the skating complex.

The Clean Ohio Assistance Fund will fund a portion of the demolition, remediation, and site preparation of the Former Steele Products Engineering Company (SPECO)—Kelsey Hayes Facility also located in the West-Central Redevelopment Area. The project is a key stone example of the success of public/private brownfield projects. The project will have over \$250 thousand of private developer investment during the remediation process, as well as nearly \$400 thousand of US EPA dollars involved. Additionally, the city's redevelopment partner has already secured end users for the site once the project is completed. The redevelopment partner would not have been able to get involved in such a complex redevelopment project, nor been able to secure end uses prior to remediation, without the successful examples of brownfield redevelopments in the community such as the former D and H facility. Ultimately, the city of Springfield and its redevelopment partner will split the profits of the sale of lots at the former SPECO site equally. The city's profits will be used to recapitalize its Brownfield Cleanup Revolving Loan fund—allowing the community to continue to reinvest in its future by addressing additional brownfield sites in the three designated area.

Private redevelopment is also occurring. The Lagonda Redevelopment Area has seen the largest private demolition and remediation project in the community. After working with International Truck and Engine Corporation, city staff were able to guide the multi-national corporation through the pros and cons of the State Voluntary Action Program and Memorandum of Agreement (MOA) Track with US EPA. International chose to demolish the million square foot former truck stamping facility without the assistance of public funding. Additionally, all work performed during the demolition process and environmental site assessments was shared with the community in public forums—modeling from the success created by the city brownfield outreach program to neighborhood associations and surrounding residents. Currently, International is planning for site remediation and ultimate redevelopment. The city of Springfield offered technical assistance with state and federal programs as well and community outreach guidance; however, no other public funds were spent on the project.

The best example of brownfield success in Springfield has been the redevelopment of a former wrought iron facility that previously housed a foundry and other industrial works for over 100 years. The former Bayley Manufacturing Facility sat underutilized and often idle for nearly 20 years in Springfield's center city. After watching the success of the local government in addressing other environmentally challenged sites within the community—all done with state and federal funding—Mercy Health Partners and the Community Hospital approached city staff about

redeveloping this contaminated site into a health treatment facility. Just over two years ago, the site housed facilities built at the turn of the century and employed just a handful of low wage persons. Today, the facility treats cancer patients—anticipating over 1500 infusions annually—employs nearly 30 people, including specialized medical staff, and stands as the pride and joy of downtown Springfield. The success of the Bayley redevelopment has led city staff and the two hospitals—that have now merged to become Community-Mercy Health Partners—to discuss plans for the redevelopment of the rest of the West-Central Redevelopment Corridor for the construction of a new state of the art regional medical facility. The facility will employ nearly 3,000 people with new construction investment nearing \$300 million.

Focusing on individual sites

The benefits of brownfield redevelopment will live on in communities for decades. Turning an idle site back to productive use is the ultimate goal of any community involved in brownfield redevelopment. Creating much needed jobs and revitalizing urban tax bases are the needed benefits of these projects. However, one cannot forget about the economic benefits of the actual demolition and remediation project itself. For example, Springfield's first Clean Ohio Revitalization Project was funded \$1.9 million by the State of Ohio. The total project costs near \$2.4 million. Demolition and remediation at the site took just over four months.

During that four month period, the city of Springfield hosted demolition, asbestos abatement, and remediation crews within the community. The crews spent over \$120 dollars in Springfield—purchasing supplies for the project, buying services from Springfield businesses, and generally living in the community during that time. Additionally, the city of Springfield captured nearly \$9,000 in income tax from the crews at the site—in just 120 days. Thus, 18.6% of the publicly funded D and H redevelopment project was returned to the local economy in the form of sales receipts and income tax payments.

Realizing the Potential

The City of Springfield is focused on its future. Redeveloping underutilized sites is the key to continued success in Springfield. Preparing idle sites for new investment and new job creation is the hallmark of financial stability within the community. A recent economic impact study of brownfields in Springfield concluded that the city is missing out on \$36 million annually of unrealized sales, salary, property tax and wage tax receipts. Redeveloping the former D and H facility will generate nearly \$2 million in new job income annually. The job creation will result in \$37.5 thousand in income tax receipts annually to the city of Springfield. Additionally, by crushing demolition debris on site, the city of Springfield has saved over \$300 thousand in Ohio Department of Transportation specification 304 crush material. The material will be used as backfill material at another redevelopment site in the city—obviously saving hundreds of thousands of dollars in site preparation costs.

The Greenawalt-Trenor Redevelopment project will generate \$353,946 annually in new job income, resulting in \$7,078.92 in income tax receipts. Additionally, the former SPECO—Kelsey-Hayes Manufacturing Facility Redevelopment is estimated to generate \$4.8 million in new job income and \$96,000 in income tax receipts annually.

Thus, from the three Clean Ohio funded projects alone, the City of Springfield anticipates realizing approximately \$140,000 per year in income tax receipts alone. Additionally, the Springfield City School District benefits from each of these redevelopments as they will realize hundreds of thousands of dollars in new property tax receipts annually from the new investments.

The benefits to the City School District are priceless. Without reinvesting in underutilized urban sites, all new commercial and industrial investment will locate on the City's periphery, in undeveloped Greenfield areas. These areas are outside the City School District and thus, the district has no way to capture new growth. The idea of reinvesting in brownfields has led to the City's brownfield redevelopment program title of *Redeveloping for our Future*. Not only will the program make it easier to create new jobs, but it is the best way to generate new—and much needed—revenue for the City School District.

Looking toward the Future

The City of Springfield anticipates addressing additional brownfields within the urban core and looks to the Clean Ohio Revitalization and Assistance Funds for support in these endeavors. Currently, city staff works diligently with Community-Mercy Health Partners to prepare plans for the construction of a new regional medical facility in the heart of the center city (West-Central Redevelopment Area). The City of Springfield anticipates working with the Clean Ohio Council in rounds three and four, as well as federal agencies to make these plans realities. Springfield has the opportunity to remove the largest blighting influence on the Clark County region with the redevelopment of the former Crowell—Collier publishing facility. The facility closed in the mid 1950s and has sat underutilized, posing significant health and safety threats, since that time. With rounds three and four, the City of Springfield proposes to clear nearly 25 acres of underutilized brownfield property in the Southwest Downtown Urban Renewal Area and make way for a main hospital building as well as ancillary service developments.

The proposed hospital construction project is estimated to near \$300 million. If located in Springfield's Center City, the development would have a total sales impact in the community of \$141,219,425. If located at a Greenfield site, the economic impact will be negative for the Springfield community. Income tax receipts will average \$2 million annually with the hospital located downtown; however, if not located downtown, the city runs the risk of collecting a significantly reduced amount due to corporation limits and income taxing authority.

The need for brownfield redevelopment, presently and in the future, is significant for the Springfield community, Ohio cities, and the industrial Midwest itself. Ohio has positioned itself to assist its urban areas in a way many industrial states have not. Continued success of the region rests with the continued support of the state of Ohio, the federal government, proactive local jurisdictions, and committed citizens.